

SENATE BILL REPORT

SB 5699

As of February 19, 2007

Title: An act relating to medical benefits.

Brief Description: Modifying provisions affecting medical benefits.

Sponsors: Senators Keiser, Kohl-Welles and Fairley; by request of Department of Social and Health Services.

Brief History:

Committee Activity: Health & Long-Term Care: 2/15/07.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Staff: Mich'l Needham (786-7442)

Background: In January 2006, Congress passed the Deficit Reduction Act (DRA), which included many requirements for the Medicaid program. Among the requirements, the DRA directs states to enact provisions specific to third party recovery, requiring health insurance carriers to provide information on enrollees as a condition of doing business. The information will assist states with coordination of benefits and recovery when third party insurance payments have also been made. Washington State is required to enact the DRA provisions by September 2007.

Summary of Bill: The Department of Social and Health Services can require all insurance carriers, pharmacy benefit managers, and other parties to provide information on enrollees for improved coordination of benefits and third party recovery. The DRA provisions are placed in state statute, allowing the Department the ability to recover payments for claims up to three years after the service.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This allows the state to comply with the requirement of the Deficit Reduction Act (DRA) that passed legislation codifying the language on third party recovery. The DRA itself does not provide the mandate for the carriers; rather it directs states to implement the language.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

OTHER: The definition of insurance carrier is too broad and should be amended to exclude carriers like AFLAC Insurance.

Persons Testifying: PRO: Andy Renggli, Department of Social and Health Services.

OTHER: Tim Boyo, AFLAC Insurance.